

**VOICES FOR INTERNATIONAL BUSINESS
AND EDUCATION**

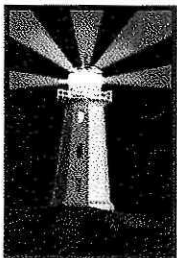
FINANCIAL STATEMENTS

JUNE 30, 2012 AND 2011

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

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BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS F. CHETTA, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Voices for International Business and Education
New Orleans, Louisiana

We have audited the accompanying statements of financial position of Voices for International Business and Education, as of June 30, 2012 and 2011, and the related statement of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of Voices for International Business and Education as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report, dated November 14, 2012, on our consideration of Voices for International Business and Education's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of this report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

Bernard & Franks

November 14, 2012

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VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENT OF FINANCIAL POSITION
JUNE 30, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 150,999	\$ 115,625
Restricted cash	46,261	-
Receivables		
Grants	51,115	226,997
Other	3,500	34,174
Prepaid insurance	5,092	10,565
Total current assets	<u>\$ 256,967</u>	<u>\$ 387,361</u>
PROPERTY AND EQUIPMENT	\$ 746,019	\$ 325,197
Less accumulated depreciation	(83,976)	(27,638)
Total property and equipment	<u>\$ 662,043</u>	<u>\$ 297,559</u>
OTHER ASSETS		
Restricted cash	\$ -	\$ 194,007
Total other assets	<u>\$ -</u>	<u>\$ 194,007</u>
 Total assets	 <u><u>\$ 919,010</u></u>	 <u><u>\$ 878,927</u></u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 64,923	\$ 33,135
Payroll liabilities	2,758	7,875
Accrued salaries and related expenses	72,441	138,207
Line of credit	-	200,000
Total current liabilities	<u>\$ 140,122</u>	<u>\$ 379,217</u>
NET ASSETS		
Unrestricted	\$ 732,627	\$ 305,703
Temporarily restricted	46,261	194,007
Total net assets	<u>\$ 778,888</u>	<u>\$ 499,710</u>
 Total liabilities and net assets	 <u><u>\$ 919,010</u></u>	 <u><u>\$ 878,927</u></u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT			
Grants:			
State	\$ 2,455,263	\$ -	\$ 2,455,263
Federal	438,027	-	438,027
Contributions	48,815	-	48,815
Interest	1,208	-	1,208
Other	59,613	-	59,613
	<u>\$ 3,002,926</u>	<u>\$ -</u>	<u>\$ 3,002,926</u>
Net assets released from restrictions:			
Restrictions satisfied by use	<u>147,746</u>	<u>(147,746)</u>	<u>-</u>
Total revenues, gains and other support	<u>\$ 3,150,672</u>	<u>\$ (147,746)</u>	<u>\$ 3,002,926</u>
EXPENSES			
Program services	\$ 2,161,935	\$ -	\$ 2,161,935
Supporting services			
General and administrative	527,704	-	527,704
Fund raising	34,109	-	34,109
	<u>\$ 2,723,748</u>	<u>\$ -</u>	<u>\$ 2,723,748</u>
Increase in net assets	\$ 426,924	\$ (147,746)	\$ 279,178
NET ASSETS AT BEGINNING OF YEAR	<u>305,703</u>	<u>194,007</u>	<u>499,710</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 732,627</u></u>	<u><u>\$ 46,261</u></u>	<u><u>\$ 778,888</u></u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2011

	Unrestricted	Temporarily Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Grants:			
State	\$ 1,392,919	\$ -	\$ 1,392,919
Federal	468,790	-	468,790
Other	1,900	340,669	342,569
Contributions	32,949	-	32,949
In kind contribution	1,290	-	1,290
Interest	742	-	742
Other	2,487	-	2,487
	<u>\$ 1,901,077</u>	<u>\$ 340,669</u>	<u>\$ 2,241,746</u>
Net assets released from restrictions:			
Restrictions satisfied by use	146,662	(146,662)	-
	<u>146,662</u>	<u>(146,662)</u>	<u>-</u>
Total revenues, gains and other support	<u>\$ 2,047,739</u>	<u>\$ 194,007</u>	<u>\$ 2,241,746</u>
EXPENSES			
Program services	\$ 1,357,184	\$ -	\$ 1,357,184
Supporting services			
General and administrative	375,987	-	375,987
Fund raising	11,406	-	11,406
	<u>11,406</u>	<u>-</u>	<u>11,406</u>
Total expenses	<u>\$ 1,744,577</u>	<u>\$ -</u>	<u>\$ 1,744,577</u>
Increase in net assets	\$ 303,162	\$ 194,007	\$ 497,169
NET ASSETS AT BEGINNING OF YEAR	<u>2,541</u>	<u>-</u>	<u>2,541</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 305,703</u></u>	<u><u>\$ 194,007</u></u>	<u><u>\$ 499,710</u></u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012**

	Program Service			
	Education Program	General and Administrative	Fund-raising	Total
Salaries and related expenses				
Salaries	\$ 1,201,161	\$ 324,615	\$ -	\$ 1,525,776
Employee benefits	75,350	19,735	-	95,085
Payroll taxes	98,081	26,071	-	124,152
Total salaries and related expenses	<u>\$ 1,374,592</u>	<u>\$ 370,421</u>	<u>\$ -</u>	<u>\$ 1,745,013</u>
Accounting	\$ -	\$ 12,361	\$ -	\$ 12,361
Advertising	-	-	6,814	6,814
Custodial services	20,756	1,562	-	22,318
Depreciation	53,242	3,096	-	56,338
Dues and fees	10,200	13,312	-	23,512
Equipment	-	7,566	-	7,566
Equipment rental and lease	8,389	2,923	-	11,312
Food service management	47,766	-	-	47,766
Hiring	-	2,921	-	2,921
Insurance	41,667	4,339	-	46,006
Interest	-	5,572	-	5,572
Information technology	14,206	14,205	-	28,411
Legal	-	10,084	-	10,084
Miscellaneous	4,381	17,761	-	22,142
Occupancy	5,124	386	-	5,510
Professional services				
Foreign language support	9,175	-	-	9,175
Library services	13,649	-	-	13,649
Parent educator	35,734	-	-	35,734
Property project manager	38,638	2,908	-	41,546
Special ed services	7,538	-	-	7,538
Other	44,158	20,774	5,510	70,442
Postage	2,969	967	-	3,936
Printing and binding	-	-	-	-
Professional development	56,475	-	-	56,475
Recruitment	1,046	-	-	1,046
Repairs and maintenance				
Building	8,266	622	-	8,888
Other	-	3,020	-	3,020
Student support	50,467	-	-	50,467
Student transportation	181,342	-	-	181,342
Supplies				
Books	15,801	-	-	15,801
Other	31,280	26,402	21,785	79,467
Telephone and internet	4,317	3,874	-	8,191
Travel	25,644	284	-	25,928
Utilities	31,144	2,344	-	33,488
Web based services	23,969	-	-	23,969
Total expenses	<u>\$ 2,161,935</u>	<u>\$ 527,704</u>	<u>\$ 34,109</u>	<u>\$ 2,723,748</u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011**

	Program Service			
	Education Program	General and Administrative	Fund-raising	Total
Salaries and related expenses				
Salaries	\$ 615,646	\$ 193,351	\$ -	\$ 808,997
Employee benefits	86,237	38,744	-	124,981
Payroll taxes	53,188	16,705	-	69,893
Total salaries and related expenses	<u>\$ 755,071</u>	<u>\$ 248,800</u>	<u>\$ -</u>	<u>\$ 1,003,871</u>
Accounting	\$ -	\$ 8,905	\$ -	\$ 8,905
Advertising	-	-	4,318	4,318
Custodial services	46,812	3,523	-	50,335
Depreciation	25,317	2,321	-	27,638
Dues and fees	475	2,697	95	3,267
Equipment rental and lease	7,240	2,606	-	9,846
Food service management	22,259	-	-	22,259
Insurance	33,350	2,510	-	35,860
Interest	-	3,763	-	3,763
Information technology	12,199	12,199	-	24,398
Legal	-	4,898	-	4,898
Miscellaneous	6,665	8,011	-	14,676
Occupancy	2,292	1,423	-	3,715
Professional services				
Foreign language support	54,779	-	-	54,779
Property project manager	30,644	2,307	-	32,951
Special ed services	6,184	-	-	6,184
Start up	-	28,796	-	28,796
Other	38,089	11,931	5,092	55,112
Postage	2,216	554	-	2,770
Printing and binding	3,563	891	-	4,454
Professional development	50,949	3,118	-	54,067
Recruitment	29,927	-	-	29,927
Repairs and maintenance				
Building	6,981	801	-	7,782
Other	3,798	-	-	3,798
Student support	11,093	-	-	11,093
Student transportation	87,102	-	-	87,102
Supplies				
Books	2,321	-	-	2,321
Other	18,435	15,029	1,901	35,365
Telephone and internet	24,835	4,420	-	29,255
Travel	12,691	1,826	-	14,517
Utilities	61,897	4,658	-	66,555
Total expenses	<u>\$ 1,357,184</u>	<u>\$ 375,987</u>	<u>\$ 11,406</u>	<u>\$ 1,744,577</u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012**

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 279,178	\$ 497,169
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
(Increase) decrease in operating assets:		
Depreciation	56,338	27,638
Accounts receivable:		
Grants	175,882	(226,998)
Other	30,674	(34,174)
Prepaid expenses	5,473	(7,839)
Increase (decrease) in operating liabilities:		
Accounts payable	31,788	30,972
Payroll liabilities	(5,117)	7,875
Accrued salaries and related expenses	(65,766)	138,207
Net cash provided by operating activities	\$ 508,450	\$ 432,850
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property and equipment	\$ (420,822)	\$ (325,197)
Change in cash restricted for long-term purposes	147,746	(194,007)
Net cash provided by investing activities	\$ (273,076)	\$ (519,204)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	\$ 170,000	\$ 200,000
Payments on line of credit	(370,000)	-
Net cash provided by financing activities	\$ (200,000)	\$ 200,000
 Net increase in cash and cash equivalents	 \$ 35,374	 \$ 113,646
Beginning cash and cash equivalents	\$ 115,625	\$ 1,979
Ending cash and cash equivalents	\$ 150,999	\$ 115,625
<u>Supplemental Cash Flow Information:</u>		
Cash paid for interest during the period	\$ 5,573	\$ 3,763

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012 AND 2011

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Voices for International Business and Education, d.b.a. The International High School of New Orleans was incorporated on August 7, 2009. It is Louisiana's only open enrollment public high school to offer French and Spanish immersion programs and a full college preparatory curriculum. The School's mission is to foster a diverse community of learners through rigorous academic programs that promote an understanding of business, multi-cultural awareness, and foreign language fluency, while preparing our students to succeed in a global economy. The School is primarily supported by governmental and private grants.

The Louisiana Board of Elementary and Secondary Education (SBESE) approved the granting of a charter to the School effective July 1, 2010 for a period ending on June 30, 2013, to operate a Type 2 Charter School, as defined in LA- R.S.17:3992 and 3998. The charter contract shall be extended for a period of two fiscal years upon the School's successful completion of the Third- Year Evaluation conducted by SBESE.

Basis of Accounting

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States on the accrual basis of accounting. The Financial Accounting Standards Board is the accepted standard setting body for establishing not-for-profit accounting and financial reporting principles.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash, which is held in interest bearing accounts, consists of unrestricted and temporarily restricted balances. Unrestricted cash balances represent cash available for general operating purposes. For the purpose of statements of cash flows, the School considers all highly unrestricted liquid investments available for current use with a maturity of three months or less to be cash equivalents.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012 AND 2011

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (continued)

The School maintains its cash balances in two different financial institutions located in New Orleans, Louisiana. These balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2012 and 2011, there were no uninsured cash balances.

Receivables

Management believes that all receivables are collectible. The receivables are stated at the amount management expects to collect from outstanding balances. The financial statements do not include an estimate for allowance for doubtful accounts.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the School that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

All promises to give are recognized as assets and revenues. There were no promises to give at June 30, 2012 and 2011.

Property and Equipment

All acquisitions of property and equipment in excess of \$2,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of the assets. State funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets.

Contributions

In accordance with Accounting Standards, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. As of June 30, 2011, the School has received \$340,669, with donor-imposed restrictions that resulted in temporarily restricted net assets.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012 AND 2011

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions (continued)

Revenues from federal and state grants are recorded when the School has a right to reimbursement under the related grant, generally corresponding to the incurring of grant related costs by the School, or when earned under the terms of the grants.

In-Kind Support

The School records the in-kind value of goods and services contributed to support various activities as support and related expenses. For the year ended June 30, 2011, the School received in-kind contributions of supplies in the amount of \$1,290.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not- For- Profit Entities. The School has classified its net assets, revenues, and expenses based on the existence or absence of donor-imposed restrictions. At June 30, 2012 and 2011, the School did not have any permanently restricted net assets.

Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets - Support, revenues, and expenses for the general operation of the School.

Temporarily Restricted Net Assets - Contributions specifically authorized by the grantor or donor to be used for a certain purpose or to benefit a specific accounting period.

Permanently Restricted Net Assets - Contributions subject to donor-imposed restrictions and that are to be held in perpetuity by the School. Generally, the donors of these assets permit the School to use all or part of the income derived from the investment of these contributions.

Income Taxes

The School is a non-profit Organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012 AND 2011

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (continued)

The School is required to file Federal Form 990, Return of Organization Exempt from Income Tax. The School believes it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that require adjustment to the financial statements. The School's Federal Exempt Information Returns (form 990) for 2009, 2010 and 2011 are subject to examination by the IRS, generally for three years after they were filed.

Expense Allocation

Functional expenses are allocated into two categories. These include program services and general and administrative services and are based upon actual use or management's best estimate.

Advertising

The School expenses all advertising costs as incurred that are not direct-response. For the years ended June 30, 2012 and 2011, the School incurred and expensed advertising costs of \$6,814 and \$4,318, respectively.

NOTE 2. OTHER ASSETS

Other assets are comprised of the following for the years ended June 30, 2012 and 2011:

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Restricted cash for donor imposed funds	\$ 46,261	\$ 194,007

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012 AND 2011

NOTE 3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following for the years ended June 30, 2012 and 2011:

	2012	2011
Leasehold improvements	\$ 333,991	\$ 103,505
Furniture and equipment	412,028	221,692
	<u>746,019</u>	<u>325,197</u>
Less accumulated depreciation	(83,976)	(27,638)
	<u>\$ 662,043</u>	<u>\$ 297,559</u>

Depreciation expense was \$56,338 and \$27,638 for the years ended June 30, 2012 and 2011, respectively.

NOTE 4. NOTE PAYABLE

The School has a \$200,000 promissory note which matures on September 25, 2011. The amount borrowed under this agreement bears a variable interest rate of 3.25%. The purpose of the loan is to provide short term working capital for the school. The line is secured by all grant proceeds from the Louisiana Department of Education. Interest expense for the year ended June 30, 2012 and 2011 was \$5,573 and \$3,763, respectively.

NOTE 5. GRANTS

The Minimum Foundation Program formula adopted by the State Board of Elementary and Secondary Education (SBESE) and approved by the State Legislature determines the cost of a minimum foundation program of education in all public elementary and secondary schools and helps to allocate the funds equitably to parish, city and other local school systems. Funding through the Minimum Foundation Program is essentially in the form of a block grant from the State to the local school systems. Revenues received by the State are from sales tax revenues, ad valorem taxes, and other sources which are allocated to each school based on its enrollment and other student characteristics. The School averaged 309 and 185 students enrolled for the school years ended June 30, 2012 and 2011, respectively. The School recognized revenue under this grant of \$2,455,263 and \$1,392,919, which is 82% and 62% of total revenue for the years ended June 30, 2012 and 2011, respectively.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012 AND 2011

NOTE 6. SCHOOL OPERATIONS/LEASEHOLD INTEREST

The School has a lease with the Recovery School District to use the facilities and its contents located at 727 Carondelet Street, New Orleans, Louisiana for a three year period beginning July 1, 2010 through July 31, 2012. The lease agreement may be extended for an additional two years terminating on June 30, 2015 in the event BESE extends the charter contract for an additional two years upon completion of the School's third-year evaluation.

The School is responsible for all necessary maintenance to ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations and rules.

Use of the property is not recorded as an in-kind contribution from the Recovery School District and related rent expense. The value of the use of the land and building is not readily determinable. The agreement is classified as an exchange transaction because both parties receive significant value from this arrangement. Accordingly, the present value of the benefit to be received in future years has not been recorded.

NOTE 7. RESTRICTED NET ASSETS

At June 30, 2012 and 2011, the School had \$46,261 and \$194,007 in temporarily restricted net assets. These net assets are available to be used for expenses specifically designated by the donor.

NOTE 8. SUBSEQUENT EVENTS

The School has evaluated subsequent events through November 6, 2012, the date which the financial statements were available to be issued.

OTHER AUDITOR'S REPORTS



BERNARD & FRANKS

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS F. CHETTA, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Voices for International Business and Education
New Orleans, Louisiana

We have audited the financial statements of Voices for International Business and Education, as of and for the year ended June 30, 2012, and have issued our report thereon, dated November 14, 2012. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audits, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the Board of Directors, the Legislative Auditor for the State of Louisiana, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Bernard & Frankel

Metairie, Louisiana
November 14, 2012

**VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2012**

Section I – Summary of Auditor’s Report

a) Financial Statements

Type of auditor’s report issued: unqualified

Internal control over financial reporting

- | | | |
|--|-----------|-----------------|
| • Material Weakness(es) identified? | _____ yes | <u> X </u> no |
| • Significant deficiency(ies) identified that are not considered to be material weakness | _____ yes | <u> X </u> no |
| • Noncompliance material to the financial statements noted? | _____ yes | <u> X </u> no |

b) Federal Awards

Voices for International Business and Education did not receive federal awards in excess of \$500,000 during the year ended in June 30, 2012 and, therefore, is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

**Section II - Financial Statement Findings
Compliance and Other Matters**

No compliance findings were noted during the audit for the year ended June 30, 2012.

Section III - Federal Award Findings and Questioned Costs
Not applicable.

**VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
JUNE 30, 2012**

Not applicable for the year ended June 30, 2011.

REPORTS BY MANAGEMENT

**VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
MANAGEMENT'S CORRECTIVE ACTION PLAN
ON CURRENT YEAR FINDINGS
JUNE 30, 2012**

**Section I - Internal Control over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statements**

Internal Control over Financial Reporting

No material weaknesses were noted during the audit of the financial statements for the year ended June 30, 2012.

No reportable conditions were reported during the audit of the financial statements for the year ended June 30, 2012.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2012.

Section II - Internal Control and Compliance Material to Federal Awards

No findings or questioned costs were reported during the audit of the financial statements for the year ended June 30, 2012.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2012.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED
UPON PROCEDURES**



BERNARD & FRANKS

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS F. CHETTA, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON PROCEDURES

To the Board of Directors
Voices for International Business and Education
New Orleans, Louisiana

We have performed procedures included in the Louisiana Governmental Audit Guide as enumerated below, which were agreed to by management of Voices for International Business and Education and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the Voices for International Business and Education and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings related to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

Findings: None

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per the schedule and to the school board supporting payroll records as of October 1st.
3. We reconciled the combined total number of principals and assistant principals per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per the schedule.
4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a population of 7 teachers to the individual's personnel file to determine if the individual's education level was properly classified on the schedule.

Findings: None

Number and type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Findings: None

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals and assistant principals by classification as of October 1st and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Findings: None

Public Staff Data: Average Salaries (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a population of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.
8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Findings: None

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Findings: None

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Voices for International Business and Education.

This schedule was not applicable to Voices for International Business and Education as they have not yet been required to administer this test.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Voices for International Business and Education.

Findings: None

iLEAP Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to the scores reported in the schedule by Voices for International Business and Education.

This schedule was not applicable to Voices for International Business and Education as they have not yet been required to administer this test.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Voices for International Business and Education, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bernard & Francis

Metairie, Louisiana
November 14, 2012

SCHEDULES REQUIRED BY THE STATE OF LOUISIANA
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 1- General Fund Instructional and Support
Expenditures and Certain Local Revenue Sources
June 30, 2012

General Fund Instructional and Equipment Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 811,493	
Other Instructional Staff Salaries	-	
Instructional Staff Employee Benefits	126,388	
Purchased Professional and Technical Services	35,992	
Instructional Materials and Supplies	193,217	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	<u>\$ 1,167,090</u>	

Other Instructional Activities

Pupil Support Activities	\$ 110,188	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities	<u>\$ 110,188</u>	

Instructional Staff Services	\$ 78,463	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services	<u>\$ 78,463</u>	

School Administration	\$ 395,434	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration	<u>\$ 395,434</u>	

Total General Fund Instructional Expenditures	<u><u>\$ 1,751,175</u></u>
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Total General Fund Equipment Expenditures	<u><u>\$ -</u></u>
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VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 2- Education Levels of Public School Staff

June 30, 2012

Category	Full -time Classroom Teachers		Principals and Assistant Principals	
	Certified Number	Uncertified Percent	Certified Number	Uncertified Percent
Less than a Bachelor's Degree	-	-	-	-
Bachelor's Degree	19	100%	-	-
Master's Degree	-	-	-	-
Master's Degree + 30	-	-	2	100%
Specialist in Education	-	-	-	-
Ph.D or Ed.D	-	-	-	-
Total	19	100%	2	100%

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 3- Number and Type of Public Schools
June 30, 2012

Type	Number
Elementary	
Middle/Jr. High	
Secondary	1
Combination	
Total	1

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 4- Experience of Public Principals and Full- Time Classroom Teachers
June 30, 2012

	0-1 Year	2-3 Years	4-10 Years	11-14 Years	15-19 Years	20-24 Years	25+ Years	Total
Principals	-	-	-	-	-	-	1	1
Assistant Principals	-	-	-	-	-	1	-	1
Classroom Teachers	14	-	1	2	1	-	1	19
Total	14	-	1	2	1	1	2	21

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 5- Public School Staff Data
June 30, 2012

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$ 45,780.00	\$ 45,780.00
Average Classroom Teacher's Salary Excluding Extra Compensation	\$ 44,759.00	\$ 44,759.00
Number of Teachers Full-time Equivalents(FTEs) used in Computation of Average Salaries	19	19

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION

Schedule 6- Class Size Range

June 30, 2012

School Type	Class Size Range									
	1-20		21-26		27-33		34+		Number	Percent
	Percent	Number	Percent	Number	Percent	Number	Percent	Number		
Elementary	-	-	-	-	-	-	-	-	-	-
Elementary Activity Classes	-	-	-	-	-	-	-	-	-	-
Middle/Jr. High	-	-	-	-	-	-	-	-	-	-
Middle/Jr. High Activity Classes	-	-	-	-	-	-	-	-	-	-
High	100%	96	-	-	-	-	-	-	-	-
High Activity Classes	-	-	-	-	-	-	-	-	-	-
Combination	-	-	-	-	-	-	-	-	-	-
Combination Activity Classes	-	-	-	-	-	-	-	-	-	-

Note: The Board of Elementary and Secondary Education (BESE) has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades 4-12 is 33 students.

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 7- Louisiana Educational Assessment Program (LEAP)
June 30, 2012

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Advanced												
Mastery												
Basic												
Approaching Basic												
Unsatisfactory												
Total												

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Advanced												
Mastery												
Basic												
Approaching Basic												
Unsatisfactory												
Total												

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION

Schedule 8- The Graduate Exit Exam

June 30, 2012

District Achievement Level Results	English Language Arts						Mathematics					
	2012			2011			2010			2012		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Students	N/A	N/A					N/A	N/A		N/A	N/A	
Grades 10 and 11												
Advanced				0	0%					3	1%	
Mastery				1	1%					9	2%	
Basic				41	29%					34	32%	
Approaching Basic				27	39%					15	27%	
Unsatisfactory				36	31%					44	38%	
Total				105	100%					105	100%	

District Achievement Level Results	Science						Social Studies					
	2012			2011			2010			2012		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Students												
Grades 10 and 11												
Advanced	1	1%										
Mastery	16	14%										
Basic	29	25%										
Approaching Basic	34	30%										
Unsatisfactory	34	30%										
Total	114	100%								114	100%	

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 9- IOWA Tests and iLEAP Tests
June 30, 2012

District Achievement Level Results	English Lang. Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Advanced								
Mastery								
Basic								
Approaching Basic								
Unsatisfactory								
Total								

District Achievement Level Results	English Lang. Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Advanced								
Mastery								
Basic								
Approaching Basic								
Unsatisfactory								
Total								

IOWA tests are no longer given as of 2005, The iLeap Tests have taken it's place.

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
Schedule 9- IOWA Tests and iLEAP Tests (Continued)
June 30, 2012

District Achievement	English Lang. Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Advanced								
Mastery								
Basic								
Approaching Basic								
Unsatisfactory								
Total								

District Achievement	English Lang. Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 9	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Advanced								
Mastery								
Basic								
Approaching Basic								
Unsatisfactory								
Total								